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To my National Socialist friends and co-workers and all other interested National Socialists:

Probably you have been aware for several days now of at least some aspects of the unfortunate events which have recently befallen the National Socialist White People's Party. I now feel obliged, for two reasons, to write you this letter setting forth in detail the background of those events. In the first place, I am forced to defend myself against untrue charges and innuendoes in a letter mailed to Party members and supporters by Matt Koehl on July 28. In the second place, I have a responsibility as treasurer of the George Lincoln Rockwell Party, Inc., to report the severe financial irregularities and misuse of Party funds which have occurred recently.

Until a few days ago I had hoped a letter like this would not be necessary and that the internal difficulties of the Party, regardless of their severity, could be resolved by the Party's officers. Since the whole affair has been made public by Matt Koehl, however, there is no longer any reason for my remaining silent. This letter is not being sent to the general Party mailing list at this time, but primarily to those persons in the Movement whom I know personally or have previously corresponded with. I have misplaced the addresses of some persons who should receive this letter, and the failure of any such person to receive a copy should not be interpreted as a personal slight. Any recipient of this letter should feel free to let it be read by other National Socialists who so request.

First, I will give you a simple account of the development of the present situation. Although there have been profound policy disagreements among Party officers for approximately the past year, the recent crisis can reasonably be considered to have been precipitated by the following memorandum, which I gave to Matt Koehl on June 1 of this year:

MEMORANDUM

To: Matt Koehl From: William Pierce June 1, 1970

Introduction. For some time I have been concerned about the failure of the Party to make any substantial progress toward the accomplishment of its Phase II goals; you may remember a memorandum I wrote on this general subject last summer. I have also mentioned my concern orally to you on several occasions since then.

In the past few weeks I have done a lot more thinking about our lack of success and I believe the time has come to talk quite frankly about this problem, with the aim of taking some definite and immediate steps to overcome it. I believe the problem is an urgent one which demands some radical changes in our way of operation within the next few days or weeks--not in the indefinite future.

Because the anticipated changes I will talk about below are major changes requiring a disruption of our present work schedules and, more importantly, a major reorientation of our present organizational relationships and attitudes, please be assured that I am not being frivolous or whimsical. I have hesitated a long time before writing this memorandum. I write it now only because I see no reasonable alternative.

At this point I should mention that I have already considered and rejected one possible course of action: namely, acting independently and without consultation to implement those changes I could implement by myself, with the hope that a series of accomplished deeds would gradually force the changes and reorientations in other areas that I feel are necessary. I am afraid that such a course would only postpone and make more painful and difficult the decisions which should be made now by all three Party officers.

Looking back over the last three years of our Phase II activity, it seems to me that in our first year we made some substantial changes and gains which put us on the threshold of the cadre-building program which is the essence of Phase II. But for more than a year now we have been standing on that threshold. We have not even begun building an organization with real revolutionary capabilities. And the time is already at hand when external developments are calling for a beginning of Phase III.

I might be justly accused of exaggerating a little in the paragraph above; that is part of my style of exposition. Nevertheless, using as a criterion the number of Party members or supporters, monthly Party income, sales of Party literature, recruitment of Party officers, recruitment of satisfactory Party workers, the degree of local grass-roots support, the production of Party periodicals and other new written propaganda, or our progress toward any other meaningful Phase II goal, we have accomplished very little--certainly, too little--in the past year and a half.

I worry about this lack of progress so much that my working efficiency is substantially reduced. Furthermore, I have seen signs which lead me to believe that this awareness of our lack of success is fairly widespread among other Party people. I would not be at all surprised to see staff resignations, further Collin-style mutinies, and an actual decline in Party membership and income if we don't start having some real successes very soon. And by "successes" I do not mean the drumming up of any more Phase I newspaper or TV publicity through stormtroop-type fiascos.

I have no guaranteed solutions to offer to our basic problem of failing to grow and develop. I am sure, however, that we are making several errors of a general nature, and I am sure that we must eliminate these errors before we can hope to succeed. I shall comment on these errors individually below and offer the solutions which seem most promising to me. The order in which the headings below appear is arbitrary and has no significance.

We should not have any more Phase I activities. I think I have detected a growing inclination lately to get the Party

membership out of the doldrums by staging Phase I street demonstrations which will convince people that we are still "active." I believe this is a serious mistake and could almost be called a "panic" reaction to our problems.

Certainly, if we really set our minds to it we can generate a lot more publicity of the sort the Party got on the occasion of the recent McIntyre parade. The Party has been getting publicity of that sort for 11 years, however, and I think it is a dead-end thing. It has the effect of revving up those of our people around the country who have a Phase I orientation, and it attracts a certain number of new inquiries, but I believe that the weak and ineffective image of the Party it projects more than makes up for any positive results. Furthermore, it takes time, energy, and money away from other activities.

I believe we should forget about demonstrations and other things whose sole purpose is the generation of an artificial sort of publicity and let most of our future publicity be the natural consequence of our activities. That is, publicity should be only incidental to activity directed toward other organizational goals. There will be important exceptions to this rule in the future, but I believe the general principle should be followed in most cases.

We are too introverted. We are directing relatively too much of our energy toward the development of our present people and relatively too little toward the winning of new people. We are writing our publications rather too much for those who are already interested in the Party or whose sympathies already incline them favorably toward us and rather too little for that great majority which is either indifferent or hostile toward us. We are spending a fair amount of time on internal organization and almost no time on external organization (recruiting, haranguing the masses, building local grass-roots support, etc.). And I am speaking strictly in terms of Phase II goals here.

Furthermore, it seems to me that this introversion is at least partly the result of an incorrect attitude. I have said before that if our fellow Aryans in the general population do not understand us or do not agree with us it is largely our fault, not theirs. It is our responsibility to make them understand us and to win their sympathy regardless of the means we must use. Yet, when I have said this I have sensed disagreement. Perhaps there is a fear of compromising our orthodoxy. If so, we may have to resign ourselves to subordinating orthodoxy to expediency for a while.

In summary, our principal task now is to win new people rather than to develop those already won--even though the latter is also important. We must also adopt more of the humble attitude of missionaries in our relations with our enemies. We should do whatever is necessary to understand and win converts from all the major segments of our people who are racially sound, whether liberal or conservative, hippies, truck drivers, or businessmen.

We do not maintain a close enough contact with the public. Every time I leave my office, whether to talk to a high-school class or even to visit friends in D.C., I am reminded of the danger of losing contact with reality which our present isolation poses. A good general rule is that political decisions based on theoretical considerations alone and not on an intimate familiarity with the public are wrongly based. If they are correct decisions it will be purely accidental.

In order to be able to formulate correct policy--at least where propaganda and external organization are concerned--each Party officer must maintain the closest possible contact with the people he hopes to influence. This necessarily means spending less time in the office and more time out among the people.

There is a very real danger in talking always with those who agree with us and seldom with those who disagree with us. We should always be able to look at ourselves through the eyes of the public. Then we can always recognize unrealistic policies and correct them. I am afraid this is not entirely the case now.

In summary, we must come down from the mountain and go forth among the people. (Yea, verily.)

We are too inflexible in our tactics. The only reasonable criterion to apply to the validity of any tactic is that of success. What works best should be used, and what doesn't work well should be discarded. Tradition should not, in general, be a tactical criterion.

In particular, we should not let ourselves be influenced by the way things were done in Germany. Certainly, there are many valuable lessons for us to learn from the Movement's struggle in Germany, but blind imitation of any aspect of the German struggle is a mistake.

As an example, consider the Stormtroops. The only justification I can see for our having a group of people dressed in brown shirts, boots, and armbands passed when we left Phase I. We will need fighters in the future (we need them now, for that matter)--real fighters, who must be prepared to kill and be killed, for we will certainly face some real brawls in the future, in which hardened fighters with real armament will give us a lot rougher time than any of the scuffles with college kids we've seen so far. But the development of our fighting arm should come about in a natural way. We need people whose purpose is to keep our public meetings orderly, not to put on a show. The wearing of a uniform may be of value at some time in the future, but not now. I have the feeling that when we put a kid into a Stormtroop uniform he often feels that he is doing his thing just by being there and being properly adorned. Our meeting monitors should understand that their sole purpose is to be ready--and able--to keep order. Furthermore, political uniforms have a different effect on the public here than in Germany. There they were expected; here they give the impression of an invasion from Mars.

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In summary, I think that the fact that we--or our German comrades--have done things in a particular way in the past is seldom a good excuse by itself for continuing to do them that way. And we should keep our minds wide open to the possibilities of brand new tactics. The objection: "That's not NS," should apply only to ideology, never to tactics.

The internal structure of our Party is not in accord with the personality principle. Wherever we have a man of proven integrity and ability, he should have total responsibility in a given sphere of Party operations and be able to exercise his own judgement and his own initiative in that sphere without interference. That is not the case now, with the National Leader making virtually all major and many minor decisions in all spheres of activity. Party officers, in other words, must have a great deal more independence than at present if their maximum potential is to be utilized for the Movement.

The only proper basis for authority in a given area is demonstrated ability. No one of us has really been able to prove his political ability in any particular sphere of operations, simply because the Party has had a notable lack of political success so far. I think we can, however, on the basis of differing individual experience and differing individual personality characteristics, reasonably assign spheres of operations which naturally suit us and provide maximum opportunities for success. (More on this later.)

It is certainly a mistake to assume that any one of us is naturally equipped to make the best decisions in every sphere. But that is what we are, in effect, doing now. We should understand that, unlike the NSDAP, we have no universal genius to lead us. Each of us is more able in certain areas than the other two officers and should not have his initiative restricted or be subjected to interference in those areas for the sake of centralizing all authority in one person.

The Party does need a single leader for the sake of unity and coherence. That leader may exercise Party leadership only in a formal sense--which in itself serves a useful function--or he may exercise real leadership. But if his leadership is to go beyond mere formality, it must be based on something other than formality--namely, on proven superiority. No self-respecting adult will for very long let himself be told how to do something by someone who knows no more about that thing than he does himself.

Actually, real leadership--the kind Hitler exercised--does not consist in having detailed control over an organization, that is, in having all the strings in one's own hands. It consists, rather, in setting an example for others to follow and in providing the spark and inspiration for others.

One very bad feature of the tight little ship we're running now is that an outsider of any real ability and with a strong personality of his own might find it pretty stifling. I would go so far as to say that if, by remote chance, a man with abilities approaching those of Hitler came to us now he would take one look and then begin building a separate party of his own from scratch.

If the Party's corps of leaders is to grow, then the internal framework of the Party must be broadened considerably. There must be a greater variety of ways for a new man to fit in and more elbow room for him to exercise his talents. A new person of top quality should be able to see a number of different paths for leadership advancement in the Party, even to the highest levels, without having to fit himself into a predetermined mold.

Please note that I am not advocating internal anarchy in the Party. There must be a balance between breadth and flexibility of structure on the one hand and centralized authority on the other. Our trouble now is that we have no such balance.

I think it imperative that this problem be cured by dividing Party operations into three functionally distinct spheres of operation, with one Party officer having responsibility for each. The three obvious spheres are internal organization, external organization and propaganda. (If we had another Party officer now another obvious area would be Party business and finance.) The important thing is that Party officers be able to operate with a considerably larger degree of individual responsibility, autonomy, and independence than is now the case.

To be more specific, I make the following suggestions:

Matt Koehl should consider his natural sphere of operations to be the internal organization of the Party and, more generally, of the Movement. This would include all matters concerning members and supporters and would encompass most of what is now done by the Party Executive Officer and by the General Secretary of WUNS--including the issuing of the NS Bulletin and the WUNS Bulletin.

Internal organization seems the most natural domain for the recognized head of the Movement.

Robert Lloyd should consider his natural sphere of operations to be external organization, both local and national--but, hopefully, with a growing emphasis on local organization. This would include organizing literature distribution teams; training cadres of agitators; developing techniques for infiltration of other political groups, of police agencies, etc.; developing a program for building local grass-roots support; organizing and training a corps of meeting monitors; and making all arrangements and decisions concerning public meetings, rallies, and demonstrations.

William Pierce should consider his natural sphere of operations to be Party propaganda. The largest single task here is the Party newspaper, which should--and can--appear on a monthly basis immediately. Subsidiary tasks are the preparation of propaganda pamphlets, leaflets, and telephone messages; the building of press liaison; and, in general, other methods of spreading the word.

Some of the things that are being done now (in theory), such as the preparation of new issues of NATIONAL SOCIALIST WORLD and new ideological pamphlets, might have to await the recruiting of more personnel for the propaganda department.

General comments on the above suggestions: There are a number of difficulties which must be ironed out in implementing

the above-suggested changes. One of these is the estimation of realistic budgets for the major areas of operation so that the respective officers can plan the allocation of their respective financial resources to salaries, transportation, and the other costs of performing their functions and running their departments.

The duties of some staff members will need to be rearranged. In general, a man should be able to look to one officer for orders and not have a divided responsibility to two or more officers.

And there are a number of other minor and major details to be worked out in conference. Although one of the principal purposes of the suggested changes is to provide more independence and autonomy for Party officers, these changes can only succeed if there remains the greatest possible sense of mutual goodwill and willingness to cooperate in carrying out the revolutionary task of the Party.

One of the things I would like to see coupled to greater independence is a freer and more regular exchange of information between Party officers. I think that as a minimum effort in this direction we should get together on an informal basis for an hour luncheon conference once a week. (If there was nothing to say we could just eat. Hopefully, there would be plenty to say.)

Conclusion. As I stated on the first page of this memorandum, I realize that the proposals I have made here involve some drastic changes. I would not have made them if I did not believe that there are some drastic things wrong with the Party now.

If we were a National Socialist club, interested primarily in achieving personal salvation through following the teachings of the Leader, perhaps we could be satisfied with ourselves. But as a party whose function is to serve as a revolutionary instrument for the liberation of the race we can only feel the profoundest sense of frustration and dissatisfaction with our lack of progress.

I, for one, simply have no patience for club work. I also find it increasingly difficult to think in terms of the very gradual rate of development we are experiencing now. I feel that four or five years is too long a period for the Party to require to really break into cadre-building. Six months to a year seems like a much more reasonable figure.

I really don't care what it takes, but we must permeate the Movement with a sense of urgency and immediacy and relevance which it largely lacks now. I believe the changes I have suggested can be a big step in that direction. I hope that the three of us will make some definite decisions on these things in the very near future.

Mr. Koehl gave no immediate response to this memorandum and, for several weeks, indicated that he did not wish to discuss it with me. Three days after receiving the memorandum, however, he did go to a local bank and rent a private safe-deposit box in his name. This fact came to my attention in the second week of July, when I found a cash receipt for this safe-deposit box rental, dated June 4, 1970, among

Party financial records.

As Party treasurer my responsibilities have included maintaining the Party's financial records, paying our taxes, depositing our income in the bank, and seeing that our regular financial obligations--such as our staff payroll, our telephone bills, the mortgage payment on our office building, etc.--are met. It has only been during the last two years, approximately, that the Party has kept accurate and complete financial records and made a serious effort to keep its accounts balanced. Before this the Party's economic affairs were largely on a hand-to-mouth basis. It was this chaotic state of affairs which resulted in the tax raid on the Party by the Internal Revenue Service in 1965. If you have had any business experience, I am sure you realize the importance of the Party keeping its financial affairs in order.

The Party, of course, is not an ordinary business and has often deviated from what is normally considered good business practice. But to the extent possible we have tried to stay on a sound financial basis. As treasurer, I am particularly concerned with this aspect of our operations.

During the year 1968, the Party made several steps forward which greatly improved its economic position. Party income reached about \$3500 per month toward the end of 1968 and then increased to about \$4000 per month in the first half of 1969. For the last year, however, the Party's total monthly income has been nearly static, at around \$4000 per month.

Such a static situation should be a matter of the gravest concern to a revolutionary organization, which should continually increase the scope of its activities.

During the month of June, 1970, I noticed a substantial fall-off in the size of the Party's weekly bank deposits. Also, there was a peculiar absence of bills in denominations above \$1 from the money turned over to me for deposit. I was not particularly alarmed at the time, because Party income does tend to fluctuate rather heavily from month to month. In the light of later developments which I will describe below, however, I now believe it is quite likely that Matt Koehl was skimming as much as \$400 per week from the Party's daily receipts and placing the money in his safe-deposit box. Only a careful audit, comparing daily records of sales, dues, and contributions with bank deposits can clear this matter up.

In the third week of June Matt Koehl, Robert Lloyd, and I finally met to discuss some of the matters mentioned in my memorandum of June 1. At the beginning of the meeting, Mr. Koehl asked me to promise that I would give my full support to whatever policies he--and he alone--might decide upon after our discussion. I replied quite frankly that I could not promise to continue to support policies which I believed to be in error and contrary to the best interests of the Movement. I told him that I hoped that we could decide upon new policies in which we could all have confidence and could all support without reservation. But I could not give him the prior assurance he demanded, as I felt

that I had a responsibility to the Movement as a whole which superseded my responsibility to him as an individual and precluded my continuing to blindly follow his policies without question. I went on to point out that I had some reservations about his abilities, both as a policy-maker and as a revolutionary leader, but that this need not prevent us from reaching a working agreement and proceeding with our efforts to advance the Party. Mr. Koehl, however, wouldn't hear of any such thing. It would be a violation of the leadership principle, he said. (More about the leadership principle below.)

Although the outcome of this meeting can hardly be called satisfactory, I still had a great deal of hope that our disagreements and difficulties could be resolved without damage to the Party. Several other memoranda were exchanged and at least two other officers' meetings took place in the following days. At one of these meetings I presented a detailed breakdown of Party income from January, 1969, through May, 1970. I pointed out that our expenses had been exceeding our income by about \$500 per month for approximately six months and that, had it not been for a \$5000 contribution from one California supporter in February, we would already be completely out of money and in debt. In any event we would certainly be forced into bankruptcy if we continued to spend at the present rate without increasing our income. Excluding the \$5000 contribution, Party income from dues and contributions for the first five months of 1970 was actually down four percent from the 1969 average. To me this was an indication of the urgent need to institute more progressive policies. The alternative was retrenchment, which I felt would be a mistake.

Then on July 3 of this year, Matt Koehl quietly withdrew from the Party banking account practically our entire balance--\$2000 out of \$2127. He placed this \$2000 in his private safe-deposit box and told no one what he had done. Robert Lloyd and I, of course, continued to write checks for daily Party expenses, not realizing our checks were no good. Finally, on July 13, Matt Koehl admitted what he had done, after repeated inquiries from me. The first of our bounced checks came back from the bank on July 13 and others followed.

I requested that Matt Koehl immediately return to the Party account the \$2000 he had taken. He refused, and in order to keep more checks from bouncing I was obliged to deposit \$1000 cash which I was keeping in our office safe for emergency bail bonds.

Robert Lloyd and I repeatedly requested that he redeposit the \$2000, pointing out that the Party could not continue to meet its obligations without that money. Matt Koehl repeatedly refused, indicating that as National Leader of the Party he could use the Party's funds as he wished.

Despite the very serious misgivings I had already developed as to his leadership ability and the wisdom of his policies, this totally irresponsible attitude on his part took me completely by surprise. I have always believed that Party officers have a profound responsibility to one another and to the Party membership as a whole. For any one Party officer to assume that he is answerable to no one for his actions is an intolerable situation. Today we have no Adolf Hitler, inspired

by Providence, in our Movement, and we must get along somehow with more-or-less ordinary men and women, none of whom can be allowed to arrogate to himself the privilege of simply doing as he pleases with the Party's money.

Beyond this, however, I was very much disturbed by the secretive and furtive manner in which he had acted: his failure to tell me--the Party treasurer--of his intention to withdraw the \$2000; his refusal for ten days to reveal the fact to me after the withdrawal, despite repeated inquiries; and his squirreling of the money away in a private safe-deposit box. In addition to this, I have recently noted that he has taken for his own use the sum of approximately \$500 in cash which had also been reserved for bail bonds.

Finally, on the evening of July 27, at a time deliberately chosen when Robert Lloyd was out of town on business, Mr. Koehl held a surprise meeting of about a dozen persons from the Arlington area, including several persons who were not members of the Party but who had promised Koehl beforehand that they would support him. I was then accused of attempting to usurp the Party leadership, organize a mutiny, and several other things. The meeting quickly degenerated into a disgusting and embarrassing shouting match. An attempt was made to intimidate me, with thinly veiled threats on my life, into promising to resign my directorships in both the George Lincoln Rockwell Party, Inc., and Asgard Press, Inc., a Party holding corporation. I refused and Koehl told me that he would expel me from the Party.

When I returned to my office the next morning I found the lock on my office door changed and Koehl refusing to open the door. During the night Mr. Lloyd's home had been broken into and burgled at Koehl's instruction. I found it necessary to post armed guards in both Mr. Lloyd's house and our Party bookstore to prevent further ransacking.

When Mr. Lloyd returned to Arlington, he was obliged to break down the door to his office to gain admission. We found that our offices had been ransacked and many items removed, including several hundred dollars worth of private property. I will not even attempt to describe the chaos which ruled in the Party offices in the next few days.

Nor do I wish to waste your time and mine with a personal attack on Mr. Koehl. Let it suffice to say here that his characterization of himself in his recent publications as the strong and capable leader of the Party, me as a clever and conspiratorial weakling challenging his authority, and Robert Lloyd as a good-natured fool who was duped into conspiring with me against Koehl is wrong on all three counts, as anyone who knows us is surely aware.

But I will point out a fundamental error in Koehl's principal argument in support of his recent actions, namely, that he was simply defending the Party against an attack on the leadership principle.

In organizing and controlling a White people's revolution, led by National Socialists, the only criterion that must be applied to policy decisions is that of correctness. Policies which help advance

the revolution are good policies, and those which do not are bad.

Anyone who insists that decisions must be arrived at by some special process is a fool. One particularly dangerous kind of foolishness in this regard may be called the "fuehrer-complex." It is the belief that one man, by virtue of having somehow gotten into the position at the top of the revolutionary bureaucracy, is thereby specially qualified to make all decisions. To attempt to use Mein Kampf, which was written by an eminently sensible man, to justify such nonsense is a form of sacrilege.

Decisions arrived at by a board of directors, or by a revolutionary council, or by some other group of leaders are in no way inherently tainted by a sort of "original sin," nor are they in conflict with the National Socialist principle of personality.

If, indeed, a revolutionary movement is so fortunate as to possess a single leader whose capabilities exceed those of his colleagues by such a margin that he alone can make better decisions, in most cases, then can any council of his colleagues, then that single leader should make the decisions. But if the movement is not so fortunate as to possess such an exceptional individual, it had damned well better find some other way of governing itself.

A man who has a record of inept and incorrect decisions can in no way justify himself by pointing to an organizational chart or by citing any kind of organizational principles. The internal organization of a revolutionary movement must always be a matter of expediency, not principle. What works must be used, and what has proven itself not to work must be cast aside.

In particular, we must always remember that the NSDAP cannot be blindly used as a model for other revolutionary organizations, because the NSDAP had from the beginning that which no other organization can have, namely, Adolf Hitler. In some instances, such a model may still be correct and proper; in others not. In the case of the NSWPP at this time, with Matt Koehl occupying a post analogous to that held by Hitler, it is a disastrously incorrect model.

The present result of this incorrectness is a seriously damaged Party. Mr. Lloyd has resigned his post as Executive Officer, I am planning no further Party activities for myself, and I can imagine the disgusted reaction of Party members and supporters everywhere. Knowing Mr. Koehl's personal propensities, I will not be at all surprised to see the Party retrench into a sort of Matt Koehl Nazi Fan Club consisting of a few dozen members and supporters within the next few months. The one real service that the Party can still reasonably hope to perform is to keep open its bookstores and continue to distribute National Socialist books and other materials to the public.

Because Robert Lloyd has indicated his intention to continue managing NS Publications and the excellent bookstore in Arlington which was opened through his efforts alone, and because I have the greatest personal regard for him, I intend to take no action which will in any way make his task more difficult. In particular, I have

no intention of attempting to form a separate faction in the Party or of founding a rival Party.

My immediate problem, after four years on a Party salary of only \$50 per month, is to find some remunerative work for myself inside the Movement which will allow me to once again support my family and relieve my wife of that burden. I have some interesting ideas for possible new developments, and I will be happy to discuss them with anyone who cares to write me at my new address.

Heil Hitler!

A handwritten signature in dark ink, appearing to read "WL Pierce". The letters are stylized and connected, with a prominent "W" and "L" at the beginning.

William L. Pierce